



## State of Utah

### Department of Natural Resources

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*Executive Director*

### Division of Oil, Gas & Mining

JOHN R. BAZA  
*Division Director*

JON M. HUNTSMAN, JR.  
*Governor*

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*Lieutenant Governor*

September 25, 2006

Dale Snyder, Member  
Absolute Mining and Minerals LLC  
7752 North 9150 West  
Lehi, Utah 84043

Subject: Summary of Requirements in Response to Letter, Requirement to Post Reclamation Surety, dated June 8, 2006, Absolute Mining and Minerals LLC, Ammi Mine – Dolores River, (S/019/035), Grand County, Utah

Dear Mr. Snyder:

Thank you for your inquiry responding to the Division letter dated August 8, 2006. The letter provided information about the recent rule changes resulting in reclamation surety requirements for small mines and exploration projects within the state of Utah.

Based on information contained in the Notice of Intention to Commence Small Mining Operations (NOI), the bond amount will be based on a five-acre disturbed area (\$18,600.00). If this information is inaccurate, please contact Mr. Paul Baker, to obtain information on the requirements for updating your NOI to reflect the actual disturbed area. If the disturbance is less than five-acres, the reclamation surety amount will be determined accordingly once the NOI is updated. It is necessary to work with Mr. Paul Baker if NOI updates are required.

A complete and original small mine reclamation contract is required for your project. The Division will send this contract to you once the surety reclamation requirement is determined. As part of the surety approval process, the LLC, Absolute Mining and Minerals, must be registered with the Utah Department of Commerce. Prior registration (2016927-0160) has expired due to failure to file renewal. Please contact the Utah Department of Commerce to update company records, as active status is required before obtaining Division approval.

Please be aware the BLM and the Division may have different reclamation surety requirements. The Division will not require separate reclamation surety if there is one administered by another government entity provided the cost estimate is accurate and the Division is named as co-beneficiary. Currently, the Division is working with the BLM on identifying the Division as a co-beneficiary via a rider to the personal cash bond in the amount of \$8200.00. The Division submitted

information to the BLM regarding the bond rider, with feedback forthcoming. Please contact Opie Abeyata, BLM, for status information to ensure the rider is completed in a timely manner.

From the BLM the Division has copies of:

- Completed BLM Surface Management Personal Bond form for UTU-72488 which serves as a reclamation surety bond for AMMI Dolores River Mine Site;
- BLM Decision letter, Financial Guarantee Accepted identifying the reclamation cost estimate of \$8200.00 and acceptance of the financial document (cash)

**As a reminder, the deadline to complete this process (approved reclamation surety and reclamation contract) is December 8, 2006.**

The Division appreciates your attentiveness and responsiveness to the rule changes that have occurred resulting in this requirement. If you have any questions or require discussion regarding the reclamation surety, please contact Beth Ericksen at (801) 538-5318. Questions pertaining to the NOI, please contact Paul Baker at (801) 538-5261.

Sincerely,



Susan M. White  
Mining Program Coordinator  
Minerals Regulatory Program

SMW:BE:pb

Enclosures: none

cc: Beth Ericksen, DOGM  
Paul Baker, DOGM  
Daron Haddock, DOGM

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